

Exhibit 1

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

DIGITAL LICENSING INC. et al,

Defendants/Relief Defendants.

Case No. 2:23-cv-00482-RJS

Chief Judge Robert J. Shelby

DECLARATION OF BRET PETERSON

I, BRET PETERSON, declare under penalty of perjury that the foregoing is true and correct:

1. I am a general contractor living in Draper, Utah.
2. I am also a purchaser and holder of software node licenses (“Software Licenses”) and digital tokens (“Tokens”) for the DEBT Box Project and have been since late 2021.
3. I was asked to recount my story of how the U.S. Securities and Exchange Commission’s Temporary Restraining Order in *SEC v. Digital Licensing Inc. (d/b/a “DEBT Box”)*, No. 23-cv-482-RJS (D. Utah), adversely impacted me.
4. I have personal knowledge of the facts recounted herein and, if called as a witness, I could and would competently testify under oath to the facts stated herein.
5. I first learned of the DEBT Box Project from my 26-year-old son. I decided to get involved with the DEBT Box Project because I understood it was based on a unique concept that

differentiated it from other projects in the digital asset space, which, in my view, showed the project had a potential upside.

6. I first purchased Software Licenses on December 8, 2021 and subsequently purchased additional Software Licenses. I also purchased Tokens for the DEBT Box Project through the digital asset exchange PancakeSwap. Through July 2023, I spent approximately \$440,275 in total; approximately \$170,275 on Software Licenses and approximately \$270,000 on Tokens. I also separately earned additional Tokens as rewards from the Software Licenses I purchased.

7. As of July 2023, the DEBT Box Project was doing great, as its ecosystem grew. In or around mid-July 2023, the market value of my Tokens alone was approximately \$517,500, exceeding the amount I spent on Licenses and Tokens by approximately \$77,225.

8. At the end of July 2023, I went on an international cruise trip. On August 3, 2023, while I was on the cruise ship in the middle of Atlantic Ocean, I received a text from my son, which appeared to be delayed as the internet on the cruise ship was spotty, breaking the news to me that the SEC had shut down the DEBT Box Project because it was allegedly a scam (the SEC's August 3, 2023 press release was included with my son's text but I couldn't open the document due to internet issues on the cruise). I could not believe it, but I assumed that since the SEC was involved it must be true.

9. Realizing that my Tokens for the shut-down project would soon be worthless, if not already, I sat in my cabin as soon as I got the text, with intermittent internet, selling my Tokens to salvage whatever value I could. I had spent approximately \$440,275 on Tokens and Software Licenses. As a result of selling tokens, I had received approximately \$24,651 for the majority of my Token portfolio. I also tried to sell my native DEBT Tokens, which were worth approximately

\$15,000 at the time, but I was unable to execute that sale as I received an error message when attempting to sell. I also had a smaller amount of Tokens in another wallet which was worth approximately \$1,870 at the time. I had forgotten about this wallet so I did not attempt to sell those tokens. To summarize, the value of my Token portfolio went from approximately \$517,500 prior to my cruise in mid-July 2023 to \$41,521 after the SEC press release came out, resulting in a loss of approximately \$475,979.

10. My son's interpretation of the press release was that the SEC had literally shut down the DEBT Box Project and that the SEC had proven that the whole thing was a scam. A couple days later I was able to actually read the SEC press release and other documents and realized that my son was referring to a temporary restraining order ("TRO"), asset freeze etc.

11. I am aware the TRO is no longer in place, and assume that is because, as it turns out, the SEC made false and misleading statements to get the emergency TRO and as such didn't do complete and appropriate due diligence on the DEBT Box Project beforehand.

12. I still believe that the DEBT Box Project has an upside and would not have sold Tokens at a devastating financial loss had I known there was false information used to get the TRO. I deeply regret selling my tokens because I cannot recover those tokens and the significant amount of money I lost.

I declare under penalty of perjury under the laws of the United States that the forgoing is true and correct.

Dated: Draper, Utah
January 12, 2024



BRET PETERSON